



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

March 7, 2014

Postal Service Knowledge Management Process

Report Number DP-AR-14-002

BACKGROUND:

As a result of downsizing in response to declining mail volume and the retirement eligibility of about 31 percent of its workforce (152,000 employees), the U.S. Postal Service is at risk of losing the extensive knowledge required to manage its vast operations. The Postal Service had annual revenue of about \$67.3 billion, delivered over 158 billion mailpieces, and managed over 31,700 retail locations in fiscal year (FY) 2013. It also operates one of the largest information technology infrastructures in the world, with an inventory of 795 computer applications. It spent at least \$59 million on 49 contracts for studies or consulting services during FYs 2011 through 2013.

Our objective was to assess the Postal Service's knowledge management practices, systems, roles, and responsibilities. Accordingly, we compared Postal Service knowledge management processes with eight organizations to identify best practices the Postal Service might adopt to optimize its resources and efforts.

WHAT THE OIG FOUND:

The Postal Service does not have a comprehensive knowledge management policy or process or a chief knowledge officer to ensure that knowledge sharing is systematic and collaborative.

Although not well-defined, there are knowledge management elements

within several Postal Service systems to capture some tacit and explicit knowledge. In addition, we could not find any of the 49 studies or consultant reports in the Postal Service Headquarters library where they could be shared among all postal departments, as required by policy.

A comprehensive Postal Service knowledge management process would enable management to leverage information from throughout the organization for strategic decision-making and new initiatives. In the near term, knowledge management activities would also mitigate the possible loss of extensive tacit knowledge due to anticipated Postal Service downsizing and the retirement eligibility of about 31 percent of its workforce.

WHAT THE OIG RECOMMENDED:

We recommended the vice president, Employee Resource Management, develop a comprehensive Postal Service knowledge management strategy. We also recommended the Postal Service join the Federal Knowledge Management Working Group, which has experts to assist, inform, and support development and implementation of a comprehensive knowledge management strategy.